



Registration of a Charge

Company name: **S G ESTATES LTD**

Company number: **05145645**



X71NCH0R

Received for Electronic Filing: **13/03/2018**

Details of Charge

Date of creation: **08/03/2018**

Charge code: **0514 5645 0025**

Persons entitled: **CASTLEMEAD DEVELOPMENTS LIMITED**

Brief description: **FIRST LEGAL CHARGE ON:- FIRSTLY ALL THAT FREEHOLD PROPERTY AT GRAPE FIELDS, VICARAGE ROAD, LLANGOLLEN AND REGISTERED AT HM LAND REGISTRY WITH TITLE ABSOLUTE UNDER TITLE NUMBER WA566577; SECONDLY ALL THAT THE FREEHOLD PROPERTY ON THE SOUTH SIDE OF WILLOW STREET LLANGOLLEN AND REGISTERED AT HM LAND REGISTRY WITH TITLE ABSOLUTE FREEHOLD UNDER TITLE NUMBER WA771100; THIRDLY ALL THAT THE FREEHOLD PROPERTY AT THE WILLOWS, WILLOW STREET, LLANGOLLEN AND REGISTERED AT HM LAND REGISTRY WITH TITLE ABSOLUTE FREEHOLD UNDER TITLE NUMBER WA747205; AND FOURTHLY ALL THAT THE FREEHOLD PROPERTY ON THE SOUTH SIDE OF HALL STREET, LLANGOLLEN AND REGISTERED AT HM LAND REGISTRY WITH TITLE ABSOLUTE FREEHOLD UNDER TITLE NUMBER WA910743. AND A FIXED CHARGE ON THE PROPERTY INSURANCE AND RENTAL INCOME FROM THE PROPERTY.**

Contains fixed charge(s).

Contains negative pledge.

Authentication of Form

Authentication of Instrument

Certification statement: **I CERTIFY THAT THE ELECTRONIC COPY INSTRUMENT
DELIVERED AS PART OF THIS APPLICATION FOR REGISTRATION
IS A CORRECT COPY OF THE ORIGINAL INSTRUMENT.**

Certified by: **HEATHER SUMMERS**



CERTIFICATE OF THE REGISTRATION OF A CHARGE

Company number: 5145645

Charge code: 0514 5645 0025

The Registrar of Companies for England and Wales hereby certifies that a charge dated 8th March 2018 and created by S G ESTATES LTD was delivered pursuant to Chapter A1 Part 25 of the Companies Act 2006 on 13th March 2018 .

Given at Companies House, Cardiff on 15th March 2018

The above information was communicated by electronic means and authenticated by the Registrar of Companies under section 1115 of the Companies Act 2006



Companies House



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES

Dated

8th March

2018

SG ESTATES LIMITED (1)

and

CASTLEMEAD DEVELOPMENTS LIMITED (2)

WE CERTIFY THIS TO BE A TRUE COPY OF THE ORIGINAL


DTM LEGAL LLP
SOLICITORS LIVERPOOL

12/3/18

LEGAL MORTGAGE OVER PROPERTY - LLANGOLLEN

**Excello
Law**



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THIS DEED is dated

8th March

2018

PARTIES

- (1) **1.6 ESTATES LIMITED** incorporated and registered in England and Wales with company number 05145645 whose registered office is at 10 Maxwell Close, Gresford, Wrexham, LL12 8UD (the Borrower); and
- (2) **CASTLEMEAD DEVELOPMENTS LIMITED** incorporated and registered in England and Wales with company number 02501644 whose registered office is at Abenbury House, 17 Wilkinson Business Park, Clywedog Road South, Wrexham, LL13 9AE (the Lender).

BACKGROUND

- (A) The Lender and the Borrower have entered into the Contract for Sale for the sale of the Property by the Lender to the Borrower under which there will be deferred consideration of £600,000 payable in three instalments.
- (B) The Borrower now owns the Property.
- (C) Under this Deed, the Borrower provides security to the Lender for the Deferred Consideration.
- (D) If there is any conflict between any provisions of this Deed and the relevant provisions of the Contract for Sale, the relevant provisions of this Deed shall prevail but not so as to limit the definition of Events of Default in clause 1.1 of this Deed or the representations and warranties in clause 5 of this Deed.

AGREED TERMS

1. Definitions and Interpretation

1.1 Definitions

Terms defined in the Contract for Sale shall, unless otherwise defined in this Deed, have the same meaning in this Deed. In addition, the following definitions apply in this Deed:

Act of Insolvency;

- (a) the taking of any step in connection with any voluntary arrangement or any other compromise or arrangement for the benefit of any creditors of the Borrower;
- (b) the making of an application for an administration order or the making of an administration order in relation to the Borrower;
- (c) the giving of any notice of intention to appoint an administrator, or the filing at court of the prescribed documents in connection with the appointment of an administrator, or the appointment of an administrator, in any case in relation to the

Borrower;

- (d) the appointment of a receiver or manager or an administrative receiver in relation to any property or income of the Borrower;
- (e) the commencement of a voluntary winding-up in respect of the Borrower, except a winding-up for the purpose of amalgamation or reconstruction of a solvent company in respect of which a statutory declaration of solvency has been filed with the Registrar of Companies;
- (f) the making of a petition for a winding-up order or a winding-up order in respect of the Borrower;
- (g) the striking-off of the Borrower from the Register of Companies or the making of an application for the Borrower to be struck-off;
- (h) the Borrower otherwise ceasing to exist; or
- (i) the levying of any execution or other such process on or against, or taking control of possession of, the whole or any part of the Borrower's asset.

The paragraphs above shall apply in relation to a partnership or limited partnership (as defined in the Partnership Act 1890 and the Limited Partnerships Act 1907 respectively) subject to the modifications referred to in the Insolvent Partnerships Order 1994 (SI 1994/2421) (as amended), and a limited liability partnership (as defined in the Limited Liability Partnerships Act 2000) subject to the modifications referred to in the Limited Liability Partnerships Regulations 2001 (SI 2001/1090) (as amended).

Act of Insolvency includes any analogous proceedings or events that may be taken pursuant to the legislation of another jurisdiction in relation to a tenant or guarantor incorporated or domiciled in such relevant jurisdiction.

Business Day;

a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business.

Charged Property;

the Property.

Contract for Sale;

a contract for sale of the Property dated the day of 15th February 2018 made between the Lender

	(1) and the Borrower (2);
Deferred Consideration;	the sum of £600,000 payable in accordance with the terms of clause 3.3(b) of the Contract for Sale;
Deferred Consideration Default Rate;	has the same meaning as defined in the Contract for Sale;
Delegate;	any person appointed by the Lender or any Receiver under clause 13 and any person appointed as attorney of the Lender, Receiver or Delegate.
Event of Default;	the occurrence of any breach of the obligations on the Borrower pursuant to the terms of this deed, clauses 3.3 and 3.5 of the Contract for Sale and/or the Borrower suffering an Act of Insolvency.
Insurance Policy;	each contract or policy of insurance effected or maintained by the Borrower from time to time in respect of the Property.
LPA 1925;	the Law of Property Act 1925.
Property;	the freehold or leasehold property (whether registered or unregistered) owned by the Borrower described in the Schedule.
Receiver;	a receiver or a receiver and manager of any or all of the Charged Property.
Rental Income;	all amounts paid or payable to or for the account of the Borrower in connection with the letting, licence or grant of other rights of use or occupation of all or any part of the Property.
S106 Agreement;	a section 106 Agreement dated 30 May 2017 made between Denbighshire County Council (1) Branwen Barnet and Geraint Rowlands (2) Castlemead Group Limited (3) Castlemead Developments Limited (4) and Trailwalk Limited (5) as amended or supplemented from time to time.
Secured Liabilities;	£600,000 together with interest accruing at the Deferred Consideration Default Rate due and payable under the Contract for Sale.
Security;	any mortgage, charge (whether fixed or floating, legal or equitable), pledge, lien, assignment by way of security or other security interest securing any obligation of any person, or any other agreement or arrangement having a similar effect.
Security Period;	the period starting on the date of this Deed and ending on the date on which the Lender is satisfied

that all the Secured Liabilities have been unconditionally and irrevocably paid and discharged in full and no further Secured Liabilities are capable of being outstanding.

VAT;

value added tax or any equivalent tax chargeable in the UK or elsewhere.

1.2 Interpretation

In this Deed:

- (a)** clause and Schedule headings shall not affect the interpretation of this Deed;
- (b)** a reference to a person shall include a reference to an individual, firm, company, corporation, partnership, unincorporated body of persons, government, state or agency of a state or any association, trust, joint venture or consortium (whether or not having separate legal personality);
- (c)** unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular;
- (d)** unless the context otherwise requires, a reference to one gender shall include a reference to the other genders;
- (e)** a reference to a party shall include that party's successors, permitted assigns and permitted transferees and this Deed shall be binding on, and enure to the benefit of, the parties to this Deed and their respective personal representatives, successors, permitted assigns and permitted transferees;
- (f)** a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time;
- (g)** a reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision;
- (h)** a reference to writing or written includes fax but not email;
- (i)** an obligation on a party not to do something includes an obligation not to allow that thing to be done;
- (j)** a reference to this Deed (or any provision of it) or to any other agreement or document referred to in this Deed is a reference to this Deed, that provision or such other agreement or document as amended (in each case, other than in breach of the provisions of this Deed) from time to time;
- (k)** unless the context otherwise requires, a reference to a clause or Schedule is to a clause of, or Schedule to, this Deed;
- (l)** any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;

- (m) a reference to an amendment includes a novation, re-enactment, supplement or variation (and amend and amended shall be construed accordingly);
- (n) a reference to assets includes present and future properties, undertakings, revenues, rights and benefits of every description;
- (o) a reference to an authorisation includes an approval, authorisation, consent, exemption, filing, licence, notarisation, registration and resolution;
- (p) a reference to continuing in relation to an Event of Default means an Event of Default that has not been waived;
- (q) a reference to determines or determined means, unless the contrary is indicated, a determination made at the absolute discretion of the person making it; and
- (r) a reference to a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation.

1.3 Clawback

If the Lender considers that an amount paid by the Borrower in respect of the Secured Liabilities is capable of being avoided or otherwise set aside on the liquidation or administration of the Borrower or otherwise, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.

1.4 Nature of security over real property

A reference in this Deed to a charge or mortgage of or over the Property includes:

- (a) all buildings and fixtures and fittings (including trade and tenant's fixtures and fittings) and fixed plant and machinery that are situated on or form part of the Property at any time;
- (b) the proceeds of the sale of any part of the Property and any other monies paid or payable in respect of or in connection with the Property;
- (c) the benefit of any covenants for title given, or entered into, by any predecessor in title of the Borrower in respect of the Property and any monies paid or payable in respect of those covenants; and
- (d) all rights under any licence, agreement for sale or agreement for lease in respect of the Property.

1.5 Law of Property (Miscellaneous Provisions) Act 1989

For the purposes of section 2 of the Law of Property (Miscellaneous Provisions) Act 1989, the terms of the Contract for Sale and of any side letters between any parties in relation to the Contract for Sale are incorporated into this Deed.

1.6 Perpetuity period

If the rule against perpetuities applies to any trust created by this Deed, the perpetuity period shall be 125 years (as specified by section 5(1) of the Perpetuities and Accumulations Act 2009).

1.7 Schedules

The Schedules form part of this Deed and shall have effect as if set out in full in the body of this Deed. Any reference to this Deed includes the Schedules.

2. Covenant to pay

The Borrower shall, on demand, pay to the Lender and discharge the Secured Liabilities when they become due, in accordance with clauses 3.3 and 3.5 of the Contract for Sale and to the provisions of the Contract for Sale and to clause 11 of this Deed.

3. Grant of security

3.1 Legal mortgage and fixed charges

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee charges to the Lender:

- (a) by way of first legal mortgage, the Property;
- (b) by way of first fixed charge; and
- (c) ~~all its rights in each insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each insurance Policy,~~ the Rental Income and the benefit of any guarantee or security in respect of the Rental Income to the extent not effectively assigned under clause 3.2;

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3.2 Assignment

As a continuing security for the payment and discharge of the Secured Liabilities, the Borrower with full title guarantee assigns to the Lender absolutely, subject to a proviso for reassignment on irrevocable discharge in full of the Secured Liabilities:

- (a) ~~all its rights in each insurance Policy, including all claims, the proceeds of all claims and all returns of premiums in connection with each insurance Policy;~~ and
- (b) the Rental Income and the benefit of any guarantee or security in respect of the Rental Income.

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provided that nothing in this clause 3.2 shall constitute the Lender as mortgagee in possession.

4. Perfection of security

4.1 Registration of legal mortgage at the Land Registry

The Borrower consents to an application being made by the Lender to the Land Registrar for the following restriction in Form P to be registered against its title to the Property:

"No disposition of the registered estate by the proprietor of the registered estate, or by the proprietor of any registered charge, not being a charge registered before the entry of this restriction, is to be registered without a written consent signed by the proprietor for the time being of the charge dated 2018 in favour of Castlemead Developments Limited referred to in the charges register or their conveyancer."

4.2 Cautions against first registration and notices

Whether or not title to the Property is registered at the Land Registry, if any caution against first registration or any notice (whether agreed or unilateral) is registered against the Borrower's title to the Property, the Borrower shall immediately provide the Lender with full particulars of the circumstances relating to such caution or notice. If such caution or notice was registered to protect a purported interest the creation of which is not permitted under this Deed, the Borrower shall immediately, and at its own expense, take such steps as the Lender may require to ensure that the caution or notice, as applicable, is withdrawn or cancelled.

5. Representations and warranties

5.1 Times for making representations and warranties

The Borrower makes the representation and warranty set out in this clause 5 to the Lender on the date of this Deed and the representation and warranty contained in this clause 5 is deemed to be repeated on each day of the Security Period with reference to the facts and circumstances existing at the time of repetition.

5.2 Ownership of Charged Property

The Borrower is the sole legal and beneficial owner of the Charged Property.

5.3 No Security

The Charged Property is subject to the s106 Agreement free from any Security other than the Security created by this Deed.

5.4 Enforceable security

This Deed constitutes and will constitute the legal, valid, binding and enforceable obligations of the Borrower and is and will continue to be effective security over all and every part of the Charged Property in accordance with its terms.

6. General covenants

6.1 Negative pledge and disposal restrictions

The Borrower shall not at any time, except with the prior written consent of the Lender:

- (a) create, purport to create or permit to subsist any Security on, or in relation to, any Charged Property other than any Security created by this Deed;
- (b) sell, assign, transfer, part with possession of or otherwise dispose of in any manner (or purport to do so) all or any part of, or any interest in, the Charged Property; or
- (c) create or grant (or purport to create or grant) any interest in the Charged Property in favour of a third party.

6.2 Preservation of Charged Property

The Borrower shall not do, or permit to be done, any act or thing that would or might depreciate, jeopardise or otherwise prejudice the security held by the Lender or materially diminish the value of any of the Charged Property or the effectiveness of the security created by this Deed.

6.3 Compliance with laws and regulations

- (a) The Borrower shall not, without the Lender's prior written consent, use or permit the Charged Property to be used in any way contrary to law.
- (b) The Borrower shall:
 - (a) comply with the requirements of any law or regulation relating to or affecting the Charged Property or the use of it or any part of it;
 - (b) obtain, and promptly renew from time to time, and comply with the terms of all authorisations that are required in connection with the Charged Property or its use or that are necessary to preserve, maintain or renew any Charged Property; and
 - (c) promptly effect any maintenance, modifications, alterations or repairs to be effected on or in connection with the Charged Property that are required to be made by it under any law or regulation.

6.4 Enforcement of rights

The Borrower shall use its best endeavours to:

- (a) procure the prompt observance and performance by the relevant counterparty to any agreement or arrangement with the Borrower and forming part of the Charged Property of the covenants and other obligations imposed on such counterparty; and
- (b) enforce any rights and institute, continue or defend any proceedings relating to any of the Charged Property that the Lender may require from time to time.

6.5 Notices to be given by the Borrower

- (a) The Borrower shall immediately on the execution of this Deed give notice to the relevant insurers of the assignment of the Borrower's rights and interest in and under each Insurance Policy (including the proceeds of any claims under that Insurance Policy) under clause 3.2(a) and procure that each addressee of such notice promptly provides an acknowledgement of that notice to the Lender; and
- (b) The Borrower shall obtain the Lender's prior approval of the form of any notice or acknowledgement to be used under this clause 6.5.

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7. Property covenants

7.1 No alterations

- (a) The Borrower shall not, without the prior written consent of the Lender:
 - (a) pull down or remove the whole or any part of any building forming part of the Property nor permit the same to occur; or
 - (b) make or permit to be made any material alterations to the Property or sever or remove or permit to be severed or removed any of its fixtures or fittings (except to make any necessary repairs or renew or replace the same in accordance with clause Error! Reference source not found.).
- (b) The Borrower shall promptly give notice to the Lender if the premises or fixtures or fittings forming part of the Property are destroyed or damaged.

7.2 Development restrictions

The Borrower shall not, without the prior written consent of the Lender:

- (a) make or, in so far as it is able, permit others to make any application for planning permission or development consent in respect of the Property; or
- (b) carry out or permit or suffer to be carried out on the Property any development (as defined in each of the Town and Country Planning Act 1990 and the Planning Act 2008) or change or permit or suffer to be changed the use of the Property other than for residential development.

7.3 Insurance premiums

The Borrower shall insure the Property for third party liability and to the extent there are any buildings on the Property of an insurable nature (other than any derelict buildings intended for demolition) and shall:

- (a) promptly pay all premiums in respect of each Insurance Policy and do all other things necessary to keep that policy in full force and effect; and
- (b) (If the Lender so requires) give to the Lender copies of the receipts for all premiums and other payments necessary for effecting and keeping up each Insurance Policy (or where, in the case of leasehold property, insurance is

effected by the landlord, such evidence of the payment of premiums as the Borrower is entitled to obtain from the landlord under the terms of the relevant lease).

7.4 Proceeds from Insurance Policies

All monies payable under any Insurance Policy at any time (whether or not the security constituted by this Deed has become enforceable) shall:

- (a) be paid immediately to the Lender;
- (b) If they are not paid directly to the Lender by the insurers, be held, pending such payment, by the Borrower as trustee of the same for the benefit of the Lender; and
- (c) at the option of the Lender, be applied in making good or recouping expenditure in respect of the loss or damage for which those monies are received or in, or towards, discharge or reduction of the Secured Liabilities

7.5 No restrictive obligations

The Borrower shall not, without the prior written consent of the Lender, enter into any onerous or restrictive obligations affecting the whole or any part of the Property or create or permit to arise any overriding interest, easement or right whatever in or over the whole or any part of the Property.

7.6 Proprietary rights

The Borrower shall procure that no person shall become entitled to assert any proprietary or other like right or interest over the whole or any part of the Property, without the prior written consent of the Lender.

7.7 Compliance with and enforcement of covenants

The Borrower shall:

- (a) observe and perform all covenants, stipulations and conditions to which the Property, or the use of it, is or may be subject and (if the Lender so requires) produce to the Lender evidence sufficient to satisfy the Lender that those covenants, stipulations and conditions have been observed and performed; and
- (b) diligently enforce all covenants, stipulations and conditions benefiting the Property and shall not (and shall not agree to) waive, release or vary any of the same.

7.8 Notices or claims relating to the Property

(a) The Borrower shall:

- (a) give full particulars to the Lender of any notice, order, direction, designation, resolution, application, requirement or proposal given or made by any public or local body or authority (a Notice) that specifically applies to the Property, or to the locality in which it is

situated, within seven days after becoming aware of the relevant Notice; and

- (b) (If the Lender so requires) immediately, and at the cost of the Borrower, take all reasonable and necessary steps to comply with any Notice, and make, or join with the Lender in making, any objections or representations in respect of that Notice that the Lender thinks fit.

8. Powers of the Lender

8.1 Power to remedy

- (a) The Lender shall be entitled (but shall not be obliged) to remedy, at any time, a breach by the Borrower of any of its obligations contained in this Deed.
- (b) The Borrower irrevocably authorises the Lender and its agents to do all things that are necessary or desirable for that purpose.
- (c) Any monies properly expended by the Lender in remedying a breach by the Borrower of its obligations contained in this Deed shall be reimbursed by the Borrower to the Lender on a full indemnity basis and shall carry interest in accordance with clause 15.1.
- (d) In remedying any breach in accordance with this clause 8.1, the Lender, its agents and their respective officers, agents and employees shall be entitled to enter onto the Property and to take any action as the Lender may reasonably consider necessary or desirable including, without limitation, carrying out any repairs, other works or development.

8.2 Exercise of rights

The rights of the Lender under clause 8.1 are without prejudice to any other rights of the Lender under this Deed. The exercise of any rights of the Lender under this Deed shall not make the Lender liable to account as a mortgagee in possession.

8.3 Lender has Receiver's powers

To the extent permitted by law, any right, power or discretion conferred by this Deed on a Receiver may, after the security constituted by this Deed has become enforceable, be exercised by the Lender in relation to any of the Charged Property whether or not it has taken possession of any Charged Property and without first appointing a Receiver or notwithstanding the appointment of a Receiver.

8.4 Indulgence

The Lender may, at its discretion, grant time or other indulgence, or make any other arrangement, variation or release with the Borrower or any person not being a party to this Deed (whether or not any person is jointly liable with the Borrower) in respect of any of the Secured Liabilities or of any other security for them without prejudice either to this Deed or to the liability of the Borrower for the Secured Liabilities.

9. When security becomes enforceable

9.1 Security becomes enforceable on Event of Default

The security constituted by this Deed shall become immediately enforceable if an Event of Default occurs.

9.2 Discretion

After the security constituted by this Deed has become enforceable, the Lender may, in its absolute discretion, enforce all or any part of that security at the times, in the manner and on the terms it thinks fit, and take possession of and hold or dispose of all or any part of the Charged Property.

10. Enforcement of security

10.1 Enforcement powers

- (a) The power of sale and other powers conferred by section 101 of the LPA 1925 (as varied or extended by this Deed) shall, as between the Lender and a purchaser from the Lender, arise on and be exercisable at any time after the execution of this Deed, but the Lender shall not exercise such power of sale or other powers until the security constituted by this Deed has become enforceable under clause 9.1.
- (b) Section 103 of the LPA 1925 does not apply to the security constituted by this Deed.

10.2 Protection of third parties

No purchaser, mortgagee or other person dealing with the Lender, any Receiver or Delegate shall be concerned to enquire:

- (a) whether any of the Secured Liabilities have become due or payable, or remain unpaid or undischarged;
- (b) whether any power the Lender, a Receiver or Delegate is purporting to exercise has become exercisable or is properly exercisable; or
- (c) how any money paid to the Lender, any Receiver or any Delegate is to be applied.

10.3 Privileges

Each Receiver and the Lender is entitled to all the rights, powers, privileges and immunities conferred by the LPA 1925 on mortgagees and receivers.

10.4 No liability as mortgagee in possession

Neither the Lender, any Receiver nor any Delegate shall be liable, by reason of entering into possession of the Charged Property or for any other reason, to account as mortgagee in possession in respect of all or any of the Charged Property, nor shall any of them be liable for any loss on realisation of, or for any act, neglect or default

of any nature in connection with, all or any of the Charged Property for which a mortgagee in possession might be liable as such.

10.5 Relinquishing possession

If the Lender, any Receiver or Delegate enters into or takes possession of the Charged Property, it or he may at any time relinquish possession.

10.6 Conclusive discharge to purchasers

The receipt of the Lender or any Receiver or Delegate shall be a conclusive discharge to a purchaser and, in making any sale or other disposal of any of the Charged Property or in making any acquisition in the exercise of their respective powers, the Lender, every Receiver and Delegate may do so for any consideration, in any manner and on any terms that it or he thinks fit.

11. Receivers

11.1 Appointment

At any time after the security constituted by this Deed has become enforceable, or at the request of the Borrower, the Lender may, without further notice, appoint by way of deed, or otherwise in writing, any one or more person or persons to be a Receiver of all or any part of the Charged Property.

11.2 Removal

The Lender may, without further notice (subject to section 45 of the Insolvency Act 1986), from time to time, by way of deed, or otherwise in writing, remove any Receiver appointed by it and may, whenever it thinks fit, appoint a new Receiver in the place of any Receiver whose appointment may for any reason have terminated.

11.3 Power of appointment additional to statutory powers

The power to appoint a Receiver conferred by this Deed shall be in addition to all statutory and other powers of the Lender under the Insolvency Act 1986, the LPA 1925 or otherwise, and shall be exercisable without the restrictions contained in sections 103 and 109 of the LPA 1925 or otherwise.

11.4 Power of appointment exercisable despite prior appointments

The power to appoint a Receiver (whether conferred by this Deed or by statute) shall be, and remain, exercisable by the Lender despite any prior appointment in respect of all or any part of the Charged Property.

11.5 Agent of the Borrower

Any Receiver appointed by the Lender under this Deed shall be the agent of the Borrower and the Borrower shall be solely responsible for the contracts, engagements, acts, omissions, defaults, losses and remuneration of that Receiver and for liabilities incurred by that Receiver. The agency of each Receiver shall continue until the Borrower goes into liquidation and after that the Receiver shall act as principal and shall not become the agent of the Lender.

12. Powers of Receiver

12.1 Powers additional to statutory powers

- (a) Any Receiver appointed by the Lender under this Deed shall, in addition to the powers conferred on him by statute, have the powers set out in clause 12.2 to clause 12.14.
- (b) If there is more than one Receiver holding office at the same time, each Receiver may (unless the document appointing him states otherwise) exercise all of the powers conferred on a Receiver under this Deed individually and to the exclusion of any other Receiver.
- (c) Any exercise by a Receiver of any of the powers given by clause 12 may be on behalf of the Borrower, the directors of the Borrower or himself.

12.2 Repair and develop the Property

A Receiver may undertake or complete any works of repair, alteration, building or development on the Property and may apply for and maintain any planning permission, development consent, building regulation approval or any other permission, consent or licence to carry out any of the same.

12.3 Employ personnel and advisers

A Receiver may provide services and employ, or engage, any managers, officers, servants, contractors, workmen, agents, other personnel and professional advisers on any terms and subject to any conditions that he reasonably thinks fit. A Receiver may discharge any such person or any such person appointed by the Borrower.

12.4 Charge for remuneration

A Receiver may charge and receive any sum by way of remuneration (in addition to all costs, charges and expenses incurred by him) that the Lender may prescribe or agree with him.

12.5 Realise Charged Property

A Receiver may collect and get in the Charged Property or any part of it in respect of which he is appointed and make any demands and take any proceedings as may seem expedient for that purpose, and take possession of the Charged Property with like rights.

12.6 Dispose of Charged Property

A Receiver may grant options and licences over all or any part of the Charged Property, grant any other interest or right over, sell, assign or lease (or concur in granting options and licences over all or any part of the Charged Property, granting any other interest or right over, selling, assigning or leasing) all or any of the Charged Property in respect of which he is appointed for such consideration and in such manner (including, without limitation, by public auction or private sale) and generally on any terms and conditions that he thinks fit. A Receiver may promote, or concur in promoting, a company to purchase the Charged Property to be disposed of by him.

12.7 Sever fixtures and fittings

A Receiver may sever and sell separately any fixtures or fittings from the Property without the consent of the Borrower.

12.8 Give valid receipts

A Receiver may give valid receipts for all monies and execute all assurances and things that may be proper or desirable for realising any of the Charged Property.

12.9 Make settlements

A Receiver may make any arrangement, settlement or compromise between the Borrower and any other person that he may think expedient.

12.10 Bring proceedings

A Receiver may bring, prosecute, enforce, defend and abandon all actions, suits and proceedings in relation to any of the Charged Property that he thinks fit.

12.11 Insure

A Receiver may, if he thinks fit, but without prejudice to the indemnity in clause 15.2, effect with any insurer any policy of insurance either in lieu or satisfaction of, or in addition to, the insurance required to be maintained by the Borrower under this Deed.

12.12 Powers under LPA 1925

A Receiver may exercise all powers provided for in the LPA 1925 in the same way as if he had been duly appointed under the LPA 1925 and exercise all powers provided for an administrative receiver in Schedule 1 to the Insolvency Act 1985.

12.13 Absolute beneficial owner

A Receiver may, in relation to any of the Charged Property, exercise all powers, authorisations and rights he would be capable of exercising, and do all those acts and things, as an absolute beneficial owner could exercise or do in the ownership and management of all or any part of the Charged Property.

12.14 Incidental powers

A Receiver may do any other acts and things that he:

- (a) may consider desirable or necessary for realising any of the Charged Property;
- (b) may consider incidental or conducive to any of the rights or powers conferred on a Receiver under or by virtue of this Deed or law; or
- (c) lawfully may or can do as agent for the Borrower.

13. Delegation

13.1 Terms

The Lender and each Receiver may make a delegation on the terms and conditions (including the power to sub-delegate) that it thinks fit.

13.2 Liability

Neither the Lender nor any Receiver shall be in any way liable or responsible to the Borrower for any loss or liability arising from any act, default, omission or misconduct on the part of any Delegate.

14. Application of proceeds

14.1 Order of application of proceeds

All monies received by the Lender, a Receiver or a Delegate under this Deed after the security constituted by this Deed has become enforceable (other than sums received under any Insurance Policy), shall (subject to the claims of any person having prior rights and by way of variation of the LPA 1925) be applied in the following order of priority:

- (a) in or towards payment of or provision for all costs, charges and expenses reasonably and properly incurred by or on behalf of the Lender (and any Receiver, Delegate, attorney or agent appointed by it) under or in connection with this Deed and of all remuneration due to any Receiver under or in connection with this Deed;
- (b) in or towards payment of or provision for the Secured Liabilities in any order and manner that the Lender determines; and
- (c) in payment of the surplus (if any) to the Borrower or other person entitled to it.

14.2 Appropriation

Neither the Lender, any Receiver nor any Delegate shall be bound (whether by virtue of section 109(3) of the LPA 1925, which is varied accordingly, or otherwise) to pay or appropriate any receipt or payment first towards interest rather than principal or otherwise in any particular order between any of the Secured Liabilities.

14.3 Suspense account

All monies received by the Lender, a Receiver or a Delegate under this Deed (other than sums received under any Insurance Policy that are not going to be applied in or towards discharge of the Secured Liabilities):

- (a) may, at the discretion of the Lender, Receiver or Delegate, be credited to any suspense or securities realized account;
- (b) shall bear interest, if any, at the rate agreed in writing between the Lender and the Borrower; and

- (c) may be held in that account for so long as the Lender, Receiver or Delegate thinks fit.

15. Costs and indemnity

15.1 Costs

The Borrower shall, within five Business Days of demand, pay to, or reimburse, the Lender and any Receiver, on a full indemnity basis, all costs, charges, expenses, taxes and liabilities of any kind (including, without limitation, legal, printing and out-of-pocket expenses) incurred by the Lender, any Receiver or any Delegate in connection with:

- (a) this Deed or the Charged Property;
- (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) any of the Lender's, a Receiver's or a Delegate's rights under this Deed; or
- (c) taking proceedings for, or recovering, any of the Secured Liabilities,

together with interest, which shall accrue and be payable (without the need for any demand for payment being made) from the date on which the relevant cost, charge, expense, tax or liability arose until full discharge of that cost, charge, expense, tax or liability (whether before or after judgment, liquidation, winding-up or administration of the Borrower) at the rate and in the manner specified in the Contract for Sale.

15.2 Indemnity

- (a) The Borrower shall indemnify the Lender, each Receiver and each Delegate, and their respective employees and agents against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other professional costs and expenses) suffered or incurred by any of them arising out of or in connection with:
 - (a) the exercise or purported exercise of any of the rights, powers, authorities or discretions vested in them under this Deed or by law in respect of the Charged Property;
 - (b) taking, holding, protecting, perfecting, preserving or enforcing (or attempting to do so) the security constituted by this Deed; or
 - (c) any default or delay by the Borrower in performing any of its obligations under this Deed.
- (b) Any past or present employee or agent may enforce the terms of this clause 15.2 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act 1999.

16. Further assurance

16.1 Further assurance

16.2 The Borrower shall, at its own expense, take whatever action the Lender or any Receiver may reasonably require for:

- (a)** facilitating the realisation of any of the Charged Property; or
- (b)** facilitating the exercise of any right, power, authority or discretion exercisable by the Lender or any Receiver in respect of any of the Charged Property,

16.3 including, without limitation (if the Lender or Receiver thinks it expedient) the execution of any transfer, conveyance, assignment or assurance of all or any of the assets forming part of (or intended to form part of) the Charged Property (whether to the Lender or to its nominee) and the giving of any notice, order or direction and the making of any registration.

17. Power of attorney

17.1 Appointment of attorneys

By way of security, the Borrower irrevocably appoints the Lender, every Receiver and every Delegate separately to be the attorney of the Borrower and, in its name, on its behalf and as its act and deed, to execute any documents and do any acts and things that:

- (a)** the Borrower is required to execute and do under this Deed; or
- (b)** any attorney deems proper or desirable in exercising any of the rights, powers, authorities and discretions conferred by this Deed or by law on the Lender, any Receiver or any Delegate.

17.2 Ratification of acts of attorneys

The Borrower ratifies and confirms, and agrees to ratify and confirm, anything that any of its attorneys may do in the proper and lawful exercise, or purported exercise, of all or any of the rights, powers, authorities and discretions referred to in clause 17.1.

18. Release

18.1 Release

18.2 Subject to clause 25.3, on the expiry of the Security Period (but not otherwise), the Lender shall within 10 working days, take all action necessary to:

- (a)** release the Charged Property from the security constituted by this Deed; and
- (b)** reassign the Charged Property to the Borrower.

19. Assignment and transfer

19.1 Assignment by Lender

- (a) At any time, without the consent of the Borrower, the Lender may assign or transfer any or all of its rights and obligations under this Deed.
- (b) The Lender may disclose to any actual or proposed assignee or transferee any information in its possession that relates to the Borrower, the Charged Property and this Deed that the Lender considers appropriate.

19.2 Assignment by Borrower

The Borrower may not assign any of its rights, or transfer any of its rights or obligations, under this Deed.

20. Set-off

20.1 Exclusion of Borrower's right of set-off

All payments made by the Borrower to the Lender under this Deed shall be made in full without any set-off, counterclaim, deduction or withholding (other than any deduction or withholding of tax as required by law).

21. Amendments, waivers and consents

21.1 Amendments

No amendment of this Deed shall be effective unless it is in writing and signed by, or on behalf of, each party (or its authorised representative).

21.2 Waivers and consents

- (a) A waiver of any right or remedy under this Deed or by law, or any consent given under this Deed, is only effective if given in writing by the waiving or consenting party and shall not be deemed a waiver of any other breach or default. It only applies in the circumstances for which it is given and shall not prevent the party giving it from subsequently relying on the relevant provision.
- (b) A failure or delay by a party to exercise any right or remedy provided under this Deed or by law shall not constitute a waiver of that or any other right or remedy, prevent or restrict any further exercise of that or any other right or remedy or constitute an election to affirm this Deed. No single or partial exercise of any right or remedy provided under this Deed or by law shall prevent or restrict the further exercise of that or any other right or remedy. No election to affirm this Deed by the Lender shall be effective unless it is in writing.

21.3 Rights and remedies

The rights and remedies provided under this Deed are cumulative and are in addition to, and not exclusive of, any rights and remedies provided by law.

22. Severance

If any provision (or part of a provision) of this Deed is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision (or part of a provision) shall be deemed deleted. Any modification to or deletion of a provision (or part of a provision) under this clause shall not affect the legality, validity and enforceability of the rest of this Deed.

23. Counterparts

23.1 Counterparts

- (a) This Deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute one deed.
- (b) Transmission of an executed counterpart of this Deed (but for the avoidance of doubt not just a signature page) by fax or email (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this Deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.

24. Third party rights

24.1 Third party rights

Except as expressly provided elsewhere in this Deed, a person who is not a party to this Deed shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce, or enjoy the benefit of, any term of this Deed. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act.

25. Further provisions

25.1 Independent security

The security constituted by this Deed shall be in addition to, and independent of, any other security or guarantee that the Lender may hold for any of the Secured Liabilities at any time. No prior security held by the Lender over the whole or any part of the Charged Property shall merge in the security created by this Deed.

25.2 Continuing security

The security constituted by this Deed shall remain in full force and effect as a continuing security for the Secured Liabilities, despite any settlement of account, or intermediate payment, or other matter or thing, unless and until the Lender discharges this Deed in writing.

25.3 Discharge conditional

Any release, discharge or settlement between the Borrower and the Lender shall be deemed conditional on no payment or security received by the Lender in respect of

the Secured Liabilities being avoided, reduced or ordered to be refunded under any law relating to insolvency, bankruptcy, winding-up, administration, receivership or otherwise. Despite any such release, discharge or settlement:

- (a) the Lender or its nominee may retain this Deed and the security created by or under it, including all certificates and documents relating to the whole or any part of the Charged Property, for any period that the Lender deems necessary to provide the Lender with security against any such avoidance, reduction or order for refund; and
- (b) the Lender may recover the value or amount of such security or payment from the Borrower subsequently as if the release, discharge or settlement had not occurred.

25.4 Certificates

A certificate or determination by the Lender as to any amount for the time being due to it from the Borrower under this Deed and the Contract for Sale shall be, in the absence of any manifest error, conclusive evidence of the amount due.

25.5 Consolidation

The restriction on the right of consolidation contained in section 93 of the LPA 1925 shall not apply to this Deed.

26. Notices

26.1 Delivery

Any notice or other communication given to a party under or in connection with this Deed shall be:

- (a) in writing;
- (b) delivered by hand, by pre-paid first-class post or other next working day delivery service or sent by fax; and
- (c) sent to:
 - (a) the Borrower at:

SG Estates Limited to its registered office address

Attention: Steve Griffen
 - (b) the Lender at:

Castlemead Developments Limited to its registered office address

Attention: Richard Shackleton

or to any other address or fax number as is notified in writing by one party to the other from time to time.

26.2 Receipt by Borrower

Any notice or other communication that the Lender gives to the Borrower shall be deemed to have been received:

- (a) If delivered by hand, at the time it is left at the relevant address;
- (b) If posted by pre-paid first-class post or other next working day delivery service, on the second Business Day after posting; and
- (c) If sent by fax, when received in legible form.

A notice or other communication given as described in clause 26.2(a) or clause 26.2(c) on a day that is not a Business Day, or after normal business hours, in the place it is received, shall be deemed to have been received on the next Business Day.

26.3 Receipt by Lender

Any notice or other communication given to the Lender shall be deemed to have been received only on actual receipt.

26.4 Service of proceedings

This clause 26 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

26.5 No notice by email

A notice or other communication given under or in connection with this Deed is not valid if sent by email.

27. Governing law and jurisdiction

27.1 Governing law

This Deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

27.2 Jurisdiction

Each party irrevocably agrees that, subject as provided below, the courts of England and Wales shall have exclusive jurisdiction over any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Deed or its subject matter or formation. Nothing in this clause shall limit the right of the Lender to take proceedings against the Borrower in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

27.3 Other service

The Borrower irrevocably consents to any process in any legal action or proceedings under clause 27.2 being served on it in accordance with the provisions of this Deed relating to service of notices. Nothing contained in this Deed shall affect the right to serve process in any other manner permitted by law.

THIS AGREEMENT HAS BEEN ENTERED INTO AS A DEED ON THE DATE STATED AT THE BEGINNING OF IT.

SCHEDULE – Property

Firstly all that freehold property at Grape Fields, Vicarage Road, Liangollen and registered at HM Land Registry with title absolute under title number WA566577;

Secondly all that the freehold property on the South Side of Willow Street Liangollen and registered at HM Land Registry with title absolute freehold under title number WA771100;

Thirdly all that the freehold property at The Willows, Willow Street, Liangollen and registered at HM Land Registry with title absolute freehold under title number WA747205; and

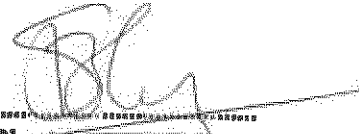
Fourthly all that the freehold property on the South Side of Hall Street, Liangollen and registered at HM Land Registry with title absolute freehold under title number WA910743.

Executed as a deed by S G ESTATES
LIMITED acting by a director in the
presence of:

Sally J Pilot

SALLY PILOT
C/o BTM Legal Ltd
Station Road
Chester CH1 3DA Solicitor

Executed as a deed by CASTLEMEAD
DEVELOPMENTS LIMITED acting by a
director in the presence of:


Director

.....
Director

